



WISCONSIN REGULATORY DIGEST

A Publication of the
DEPARTMENT OF REGULATION AND LICENSING
FOR HOME INSPECTORS

Volume 2, No. 1

March, 2001

Secretary Marlene Cummings Retires

Governor Tommy G. Thompson announced that Marlene Cummings has retired after serving 14 years as Secretary of the Department of Regulation and Licensing to pursue private interests.

Governor Thompson thanked Secretary Cummings for her years of outstanding work and guidance on licensing issues.

Secretary Cummings, who retired from state service on February 25, 2001, had served with Governor Thompson since the beginning of his administration and was one of his first cabinet appointments.

"Marlene truly is a great friend, a great leader and a source of stability within the administration," Governor Thompson said. "We will miss her sound judgment and her innovative ideas. She has worked well with the licensing boards and her resignation will be a great loss for hundreds of board members and the entire state of Wisconsin."

Governor Thompson said Secretary Cummings has had an extremely successful tenure that emphasized changes in the handling of disciplinary complaints and adopted

innovative disciplinary procedures. Her innovations have included an agency time-line for handling complaints, the use of mandated education and a procedure for managing professionals with drug and alcohol addictions.

"My 14 years of service in Governor Thompson's administration have been both inspiring and challenging," Secretary Cummings said. "We were often at the forefront of significant business and health care developments." Secretary Cummings also thanked Governor Thompson for his encouragement and the opportunity to serve, and wished him great success as a member of President Bush's cabinet.

Secretary Cummings says she is retiring to devote more time to her family. She said that she also needs more time for research and writing.

Important Message From the Department of Workforce Development

Failure to pay court-ordered child support may result in the suspension or non-renewal of professional licenses.

Recently enacted Wisconsin laws give local child support agencies the ability to request suspension or denial of licenses of people whose names appear on the Child Support Lien Docket and who owe more than \$1,000 or three months' worth of child support.

Past-due child support creates a lien against all of a payer's titled property. The lien is entered into Wisconsin's Child Support Lien Docket when past-due support reaches a specified threshold. In January 2001, the threshold amount was \$20,000 in past-due support.

HOME INSPECTOR ADVISORY COMMITTEE

Members of the Committee

Jerome G. Baumgardt (Elm Grove)
Larry Engen (Hazelhurst)
Mark Jankowski (Portage)
Norbert Lovata (Madison)
Rita McCain (Milwaukee)
Rick Staff (Madison)
Mark Thomas (Milwaukee)
Brian Vandeheuvel (Sobieski)
Vacancy (Public Member)

Administrative Staff:

Cletus J. Hansen, Division Administrator

Executive Staff:

Marlene A. Cummings, Secretary
William Conway, Deputy Secretary
Myra Shelton, Executive Assistant

Contents

Secretary Marlene Cummings Retires	1
Important Message From the Department of Workforce Development.....	1
Statistics	2
Renewal of Registrations	1
Continuing Education Requirements During 2001-2002	2
Continuing Education Courses.....	2
Continuing Education Providers	2
Examinations.....	2
Home Inspector Report – April 2001	3
Complaints Received After January 1, 2000	3
Telephone Directory and Miscellaneous	4

Child support agencies will notify payers at the time their names are added to the Child Support Lien Docket and prior to initiating license suspension action. Satisfaction (payment in full) of the child support lien, or entering into and complying with a plan to pay off the past-due support, will halt license suspension action.

For more information about Child Support Liens and license suspension, please contact your local child support agency.

Statistics

Renewal Notices Mailed to Registrants	982
Number of Active Registrants, as of 2/7/01	296

Renewal of Registrations

As you can see by reviewing the statistics stated above, many registered home inspectors did not renew their registration certificates for the 2001-2002 biennium. Why not? It's hard to specify the primary reason for non-renewal; however, we are able to identify 3 possible reasons: 1) The registrant may have simply decided to let the registration expire, rather than take continuing education courses and several portions of the registration examination; 2) The registrant may not have passed both the rules exam and the national home inspector examination; 3) The registrant may not have completed the required 40 hours of continuing education, if registered before January 1, 2000, or the 20 hours of continuing education, if registered on or after January 1, 2000.

Continuing Education Requirements During 2001-2002

Every home inspector who was registered before January 1, 2002, must obtain 40 hours of continuing education, in order to timely renew his or her registration on or before December 31, 2002. Every home inspector who was registered on or after January 1, 2002, must obtain 20 hours of continuing education, in order to timely renew his or her registration on or before December 31, 2002.

Continuing Education Courses

Initially, the department has avoided having complex requirements and procedures for the approval of continuing education courses and providers. Home inspectors have been advised that they must take courses in "home inspection" and they must receive a certificate of attendance by whoever provides the education. The certificate of attendance should state the name of the provider, the name and date of the course, the number of hours of the course and the name of the home inspector who completed the course.

A random sample survey of home inspectors following the renewal of registrations will provide the department and the Home Inspector Advisory Committee with more information about what kinds of courses were completed by home inspectors who renewed their registration. This information will help the department and the committee to determine whether the course requirements are adequate to assure the completion of meaningful education by home inspectors and to assure that they remain minimally

competent. The committee is anxious to review the results of the random sample survey.

Continuing Education Providers

Until the department obtains more information from a survey, the department can only provide much of the same information it provided to home inspectors in the Regulatory Digest of February 2000. The following is an amended version of the information that was printed in that issue of the Digest:

What home inspector courses will satisfy the continuing education requirement? The administrative rules say: "a program relating to the general subject matter of home inspection." This includes courses offered by schools, professional associations, home inspection companies and governmental agencies.

In past issues of the Regulatory Digest we invited course providers to send us information about themselves and their courses, so we could publish such information in future issues of the Digest. We have received some information. Therefore, what follows is an update of the information that was previously published.

- Contact the business program administrator at your local vocation-technical college and discuss the need for home inspector courses.
- Contact the Milwaukee Area Technical College or the Madison Area Technical College concerning the availability of the home inspector course that each of them has offered for several years.
- Attend update courses for certified weatherization inspectors, lead inspectors, radon inspectors or uniform dwelling code inspectors, if you are such an inspector.
- Contact the Wisconsin Realtors Association about their home inspector courses (608-241-2047). They offer courses designed for home inspectors. Some of these courses are available by distance learning.
- Contact the Wisconsin Home Inspectors Association, which has courses open to all inspectors. They have monthly training programs at 4 locations each month (Milwaukee, Madison, Fox Valley and Central Wisconsin). Call Julie at 414-299-9766 or 877-399-9244.
- Contact the American Society of Home Inspectors at 800-743-2744.
- Contact the National Association of Home Inspectors at 800-448-3942 (ask for Michelle).
- Contact the American Home Inspectors Training Institute, Ltd., about classroom and home study courses. Call 800-441-9411 or 262-544-5776.

Examinations

A person who applies for an original registration as a home inspector on or after January 1, 2001, must take and pass 2 parts of the registration examination. Part one consists of the Wisconsin statutes and administrative rules; part 2 consists of the national home inspector examination. Applicants may only be registered as home inspectors if they pass both portions of the examination.

Home Inspector Report – January 2001

Pursuant to the reporting requirements contained in Section 440.979 of the Wisconsin Statutes, the Wisconsin Department of Regulation and Licensing (DORL) is submitting this second annual report to the legislature on the status of home inspector regulation in the State of Wisconsin.

BACKGROUND:

The Wisconsin Act which authorized the Department of Regulation and Licensing to begin regulating home inspectors was 1997 Wisconsin Act 81. It was enacted on April 13, 1998, and published on April 27, 1998, with a delayed implementation date of November 1, 1998. Since that date, any person conducting home inspections in Wisconsin has been required to be registered with the Wisconsin Department of Regulation and Licensing.

Generally, every individual who acts as a home inspector, who uses the title “home inspector,” who uses any title or description that implies that he or she is a home inspector, or who represents himself or herself as a home inspector must be registered with the Department.

There are, however, a few exemptions in the law. A business entity is not required to be registered by the Department. A business entity may provide home inspection services and it may use the title “home inspector” to describe itself, if all of the home inspectors employed by it are registered with the Department. There are also other exemptions to registration, such as those individuals who are engaged in conducting inspections in the normal course of their employment by a federal, state or local governmental agency; those individuals who conduct energy-related audits; and those individuals who conduct home inspections while lawfully practicing within the scope of a license, permit or certificate granted to them by a state governmental agency.

For purposes of successfully implementing this new law, a Home Inspector Advisory Committee was appointed in 1998. This committee has assisted in developing administrative rules that were needed to implement the new law. The committee has also provided advice and counsel regarding home inspector practices, examination development and application materials. This committee met 7 times between June 10, 1998 and December 31, 1999. It met 4 times in 2000. A roster of current committee members is attached as Attachment A.

NUMBER OF HOME INSPECTORS:

From September, 1998, to December 31, 1998, the DORL registered 515 individuals as home inspectors in Wisconsin. From January 1, 1999, to December 31, 1999, the Department registered 341 home inspectors. From January 1, 2000, to December 31, 2000 the department registered 134 individuals as home inspectors. The department renewed 287 home inspector registrations for the first time at the end of 2000. Seven hundred three (703) home inspectors did not renew their registration. Thus, the total number of active registered home inspectors for January 30, 2001, was 287.

NUMBER AND NATURE OF COMPLAINTS:

The Department received one complaint relating to home inspection services rendered in Wisconsin in 1998, 21 complaints in 1999 and 17 complaints in 2000. Please refer to Attachment B for a description of each of these complaints and information regarding the resolution of them. (Attachment B is available, upon request, to readers of this digest.)

COSTS INCURRED BY HOME INSPECTORS:

Individuals seeking registration as a home inspector in Wisconsin must pass a national home inspector examination and a state examination on Wisconsin statutes and rules relating to the practice of home inspectors. The fee for original registration as a home inspector is \$44.

Before January 1, 2000, applicants were required to take certain portions of the registration examination before registration and certain portions after registration. However, effective on January 1, 2001, applicants must pass the national examination and the state examination before being registered. The cost for taking the state examination is \$39. The national examination, developed by the Examination Board of Professional Home Inspectors, is a 200-question examination that covers appropriate procedures for conducting home inspections. Candidates must pay \$195 to take this national exam.

When application and examination fees are included, successful home inspector candidates will have spent \$278 to complete the application/examination process. The renewal fee for filing a timely renewal application was \$44 in 2000.

Individuals registered as home inspectors in Wisconsin are also statutorily required to obtain 40 hours of continuing education every two years. Estimated cost of this continuing education requirement is \$500.

COSTS INCURRED BY THE DEPARTMENT:

In 2000 the department has incurred the following approximate costs in conjunction with implementation of this statute:

Salary/Benefits	\$16,428	(50% of Program Assistant 3 salary and benefits)
Examination	2,000	(includes site rental, item writers, examiners, freight, proctor fees)
Mailing Costs	2,000	(includes cost of printing and mailing applications and other information)
Other Costs	6,000	(includes administrative, advisory committee, legal and data processing)
TOTAL	\$26,428	

Complaints Received During 2000

The Home Inspector Report lists complaints received from January 1, 2000 to December 31, 2000. The Department received 17 complaints against registered home inspectors.

REGULATORY DIGEST

PRSRT STD
U.S. Postage
Paid
Madison, WI
Permit No. 1369

RETURN SERVICE REQUESTED

Telephone Directory

The Division of Business Licensure & Regulation has a menu telephone system which is designed to more efficiently direct the caller to the appropriate section. The telephone number for staff is:

(608) 266-5511

After dialing this number you are asked to press various extensions. For the following requests, please press extension numbers as noted:

Application Forms	Ext. 11
Complaints Against Licensees	Ext. 12
Whether A Person Is Registered	Ext. 442
Application Processing & Requirements	Ext. 43
Fax Number	(608) 267-3816

Visit the Department's Web Site

www.drl.state.wi.us

For our new "Online Verification of Credential Holders" click on the "Business and Professional License Lookup" button on the Department's home page.

Copies of the Regulatory Digest are on the Web.

Send comments to dorl@drl.state.wi.us

Wisconsin Statutes and Code

Copies of the "Statutes and Administrative Code Relating to the Regulation of Home Inspectors" can be ordered from the Department.

Include your name, address, county and a check payable to the Department of Regulation and Licensing in the

amount of \$5.28. The latest edition is dated December 1999. New registrants receive a copy free of charge.

Change of Name or Address?

Please photocopy the mailing label of this digest, make changes in name or address, and return it to the Department. Confirmation of changes is not automatically provided.

WIS. STATS. S. 440.11 ALLOWS FOR A \$50 PENALTY TO BE IMPOSED WHEN CHANGES ARE NOT REPORTED WITHIN 30 DAYS.

Subscription Service

Bi-annual digest subscriptions are published for all credentials in the Department at a cost of \$2.11 each per year. CREDENTIAL HOLDERS RECEIVE THEIR REGULATORY DIGEST FREE OF CHARGE. Others may send the fee and this form to the address listed above.

Subscription Service Order Form

Name

Company/Organization

Street Address/P.O. Box

City/State/Zip + 4

County

Digest(s) desired:

G:digests/home inspectors 0301.doc